

PE
Box
FileMay 7, 1963
JH-M-549

Dear Joe:

We are pleased to submit our proposal for the completion of System ID and for the procurement of long lead items on IE and IF. The proposal consists of a cost breakdown for each system and a schedule of fiscal funding for fiscal '63 and '64. This is summarized below:

	'63	'64	Total
Type ID	503,077	529,398	1,032,475
Long Lead IE & IF	595,688	26,042	621,730
Complete IE & IF	<u>- 0 -</u>	<u>1,262,043</u>	<u>1,262,043</u>
	1,098,765	1,817,483	2,916,248

The above funding requirements do not consider the possibility of placing funding limitations by fiscal year on our subcontractors. If you would like us to do so in the interest of conserving fiscal '63 funds we can thus reduce the '63 requirement.

The costs are based on procurement of subcontracted and purchased items as a lot of three. The funding requirements noted above assume a go ahead in May and a decision in September to complete IE and IF. On that basis, delivery of ID can be made in April of '64, IE in August '64 and IF in October '64. These dates are based on the critical path item which is the optics. We are currently reviewing this path in an attempt to improve the above quoted delivery dates.

We propose a CPFF contract similar to PR-8200 and would suggest a letter contract as an expeditious method by which to authorize early implementation of this activity. Please call me if you require additional information.

Charlie

CMH:jkh

cc:

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25 YEAR RE-REVIEW

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